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SUBJECT: NON ALIGNED MOVEMENT SUMMIT; THE USG AND THE GWOT;
ARGENTINE PRESIDENT KIRCHNER'S VISIT TO NEW YORK; GSP; IMF AND
POPULIST GOVERNMENTS; ARGENTINE ENERGY CRISIS; 09/18/06; BUENOS
AIRES

- "US - confronted ideas on power division"

Oscar Raul Cardoso, international analyst of leading "Clarín,"
writes (09/16) "... US President Bush wants to obtain Congressional
support for using torture in interrogating terrorism suspects and
for secretly trying them at military courts, thereby preventing both
the defendants and their lawyers from accessing the evidence against
them.

"According to Bush, these are 'safe, legal and necessary'
methods..."

"Bush is concerned about protecting those interrogators and this is
why he wants the US Congress to legalize torture.

"Perhaps, Bush will not succeed in his attempt... He is facing
increasing resistance both at the US Congress and the US Supreme
Court of Justice in his attempt to broaden his power."

- "Bush is troubled due to an unexpected Republican revolt"

Leonardo Mindez, on special assignment in Washington for leading
"Clarín," writes (09/16) "An unexpected battle within the G.O.P.
broke out less than two months away from legislative elections. On
the one hand, George W. Bush is asking Congress to approve the
legislation granting special powers to fight terrorism. On the other
hand, prominent Republican figures are not only against supporting
said legislation but they are attempting to subject the USG's
actions to international standards on human rights.

"During a press conference, Bush insisted yesterday that the program
of communication espionage, military courts, and the harsh
techniques for interrogatories that are being used by the CIA are
'vital' to make progress on the global war on terrorism."

- "Non Aligned Countries make a wink to Iran and Evo, and criticize
Bush"

Leading "Clarín" reports (09/17) "Some of the conclusions of the Non
Aligned Countries' Summit in Havana were: support for the Bolivian
Government vis-à-vis foreign pressure against the Morales
administration, the Southern countries' right to have 'nuclear
development for peaceful purposes', and criticism of the US
'unilateral' position.

"Other issues were India and Pakistan's commitment to resuming peace
negotiations over Kashmir, and support for a Lebanese request that
Israel agrees to tackle a lasting peace program for the Middle East
and supports the NPT."

- "A new anti-US axis is being promoted"

Daily-of-record "La Nacion" reports (09/16) "Without Fidel Castro's expected participation, the Non Aligned Movement Summit started yesterday through a speech from Cuban interim president Raul Castro, who called member countries to face US 'aspirations to domain the world.'

"... The forum, which will end today, gathered representatives from 118 countries, many of which are part of the so-called 'axis of evil' and have a tense relationship with the White House, such as Cuba, Venezuela, North Korea, Iran or Belarus.

"UN Secretary General Kofi Annan said that he NAM 'is a symbol of a new and powerful South' based on the fact that its countries hold more than 80% of the world population.'"

- "Kirchner, far from Bush and close to investors"

Martin Rodriguez Yebra, on special assignment in New York for daily-of-record "La Nacion," comments (09/17) "A high-ranking Argentine Government official said 'President Kirchner is not going to the US, he is going to New York.' The phrase summarizes the spirit of President Nestor Kirchner's one-week mission at the world financial power hub.

"Now that the US-Argentine relationship is at its coolest point, Kirchner's agenda will not include any meeting with authorities from the USG, but it will include a long series of meetings with several businessmen from the largest US corporations.

"According to the text drafted by the Argentine Government to promote Kirchner's visit to the New York Stock Exchange, the official purpose of Kirchner's trip is 'promoting greater direct investment from US corporations in Argentina.'"

- "Pressures and criticism jeopardize Argentine exports to the US"

Hugo Alconada Mon, Washington-based correspondent for daily-of-record "La Nacion," writes (09/17) "Argentine exports' stay within the GSP was subject to crossed pressures in favor and against the Argentine Government.

"The USTR received a request from the Argentine Government to maintain the benefit but it also received some claims that it should cancel the benefit.

"'What do these four guys have in common?', is the title of a paid ad submitted by the USA for Innovation Center of Studies to the Roll Call newspaper...

"In tabloid format, full-color and imitating those old Far West 'live or dead' requests for capture, the paid aid includes pictures from Lula ('IP Thief'), Hugo Chavez ('Radical'), Nestor Kirchner ('Serial defaulter'), and Vladimir Putin ('Autocrat').

"Kirchner will arrive today in New York, where he will attend the opening ceremony of the 61st UN General Assembly, he will go to Wall Street and meet with US businessmen in order to promote investment to the country.

"However, the head of economic advisors at USA For Innovation, Robert Shapiro, does not rely on Kirchner. Formerly Trade Assistant Secretary under the Clinton administration, he is attempting to

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'quantify the loss suffered by US and global investors with the 2005 Argentine debt restructuring procedure.'

"... Based on their economic volume, Argentina appears at the bottom of the thirteen countries that could be excluded from the GSP. Nonetheless, according to Congressmen, the fragile US-Argentine relationship could trouble the position of Argentina."

- "The IMF asks Latin America not to fall on populism, and it criticizes Kirchner, Evo and Chavez"

Jorge Velazquez, on special assignment in Singapore for leading "Clarín," comments (09/17) "The political friendship among Nestor Kirchner, Hugo Chavez and Evo Morales raises concern at the IMF."

"Anoop Singh, head of the IMF Western Hemisphere Division, put all three leaders on the same level by asking them to make a gesture to provide potential private investments with '(judicial) security.'"

"... Previously, IMF main economist Raghram Rajan had warned Latin American governments to avoid falling on populism."

In this framework, Singh emphasized that Argentina and Venezuela are the two countries of the region that are 'growing fast' and that 'they are recovering from the difficulties of previous years.'

"However, Singh said that the two countries are facing 'risks' to continue on the growth road. And he highlighted the need for higher levels of private investment in 'crucial' sectors such as the energy sector."

- "According to the US, Argentina is suffering an energy crisis"

Leading "Clarín's" Washington-based correspondent writes (09/16) "The US believes there is an energy crisis in Argentina. According to the USG, Argentine energy consumption is increasing faster than production, and given the lack of incentives for investment and exploration, there is no real possibility to reverse this trend in the short run."

"On the eve of his visit to New York..., Argentine President Nestor Kirchner insisted yesterday that there is no energy crisis at all. However, the statistics handled by the US Department of Energy indicate that there is an important gap between demand growth and supply growth in oil, gas and electricity."

"... According to a US Government official consulted by 'Clarín', 'the negative trend has not been reversed yet' and 'corporations are not investing what they should be investing in the event public rates were liberalized to allow for production increase.'"

- "Strong official response to the US over the (Argentine) energy crisis"

Leading "Clarín" reports (09/17) "The Argentine Government toughly rebutted the report from the US Energy Department, which asserted

that Argentina is going through an energy crisis.

"Cabinet Chief Alberto Fernandez was the first to rebut the US report, which pointed out that there is a gap in the local energy system between gas supply and demand... 'We have forecasted 12 billion pesos in public works and 6 billion pesos in improving demand..."

"The Argentine Assistant Secretary for Oil, Cristian Folgar, pointed out that the US report 'lacks seriousness and a realistic approach.'"

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